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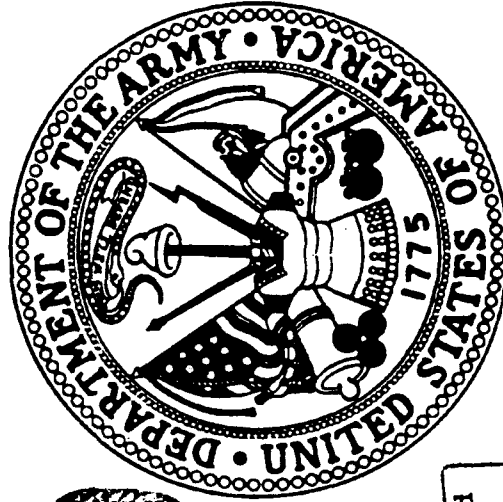
DEPARTMENT OF THE ARMY

JUSTIFICATION OF ESTIMATES FOR AMENDED FY 1992/FY 1993 BIENNIAL BUDGET

SUBMITTED TO CONGRESS

JANUARY 1992

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PROCUREMENT AMMUNITION, ARMY

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DEPARTMENT OF THE ARMY
PROCUREMENT OF AMMUNITION, ARMY

JUSTIFICATION OF ESTIMATES FOR FISCAL YEARS 1992/1993

TABLE OF CONTENTS	PAGE NO.
Section 1: Budget Appendix Extract	4-01
Section 2: Budget Activity Justifications.....	4-13
Section 3: Comparison of Program Requirements and Financing....	4-33

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Army Budget Formulation Dev
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PROCUREMENT OF AMMUNITION, ARMY

Section 1:

Budget Appendix Extract

Appropriation Language

Program and Financing Schedule

PROCUREMENT OF AMMUNITION, ARMY

APPROPRIATION LANGUAGE

For construction, procurement, production, and modification of ammunition, and accessories therefore; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized in by section 2854, title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; [\$1,369,080,000] \$823,600,000, to remain available for obligation until September 30, [1994] 1995, of which \$63,100,000 shall be available for the Army National Guard and Army Reserve.

Procurement of Ammunition, Army
Program and Financing (in Thousands of dollars) SUMMARY

Identification code	21-2034-0-1-051	Budget Plan (amounts for PROCUREMENT actions programmed)			Obligations		
		1991 actual	1992 est.	1993 est.	1991 actual	1992 est.	1993 est.
Program by activities:							
Direct program:							
00 0101	Ammunition	1,801,047	1,164,257	629,800	1,934,444	1,139,455	643,762
00 0201	Ammunition production base support	245,734	204,823	193,800	282,655	239,374	196,926
00 0101	Total direct program	2,046,781	1,369,080	823,600	2,217,099	1,378,829	840,688
01 0101	Reimbursable program	14,237	7,400	8,000	11,005	10,716	8,000
10 0001	Total	2,061,018	1,376,480	831,600	2,231,104	1,389,545	848,688
Financing:							
Offsetting collections from:							
11 0001	Federal funds(-)	-13,463	3,852	3,252	-11,777	3,852	3,252
13 0001	Trust funds(-)		-9,700	-9,700	384	-9,700	-9,700
14 0001	Non-federal sources(-)	-774	-1,552	-1,552	-774	-1,552	-1,552
17 0001	Recovery of prior year obligations				-79,103		
Unobligated balance available, start of year:							
21 4002	for completion of prior year budget plans						
21 4003	Available to finance new budget plans	-102,000	-23,700		-214,525	-165,505	-152,440
21 4003	Reprogramming from/to prior year budget plan	44,033			-102,000	-23,700	
22 0001	Unobligated balance transferred from other ac	-40,551			-40,551		
Unobligated balance available, end of year:							
24 4002	for completion of prior year budget plans	23,700			165,505	152,440	135,352
24 4003	Available to finance subsequent year budget	8,518			23,700		
25 0001	Unobligated balance expiring				8,518		
39 0001	Budget authority	1,980,481	1,345,380	823,600	1,980,481	1,345,380	823,600
Budget authority:							
40 0001	Appropriation	1,367,181	1,369,080	823,600	1,367,181	1,369,080	823,600
40 3001	Appropriation rescinded (unob bal)	-90,000	-23,700		-90,000	-23,700	
42 0001	Transferred from other accounts	703,300			703,300		
43 0001	Appropriation (adjusted)	1,980,481	1,345,380	823,600	1,980,481	1,345,380	823,600
Relation of obligations to outlays:							
71 0001	Obligations incurred						
72 4001	Unobligated balance, start of year	2,218,937			2,218,937	1,382,145	840,688
74 4001	Unobligated balance, end of year	3,012,557			3,012,557	3,005,004	2,841,992
77 0001	Adjustments in expired accounts (net)	-3,005,004			-3,005,004	-2,841,992	-2,217,568
78 0001	Adjustments in unexpired accounts	-44,862			-44,862		
		-79,103			-79,103		
90 0001	Outlays (net)	2,102,525			2,102,525	1,545,157	1,465,112

Procurement of Ammunition, Army
Object Classification (in Thousands of dollars) SUMMARY

Identification code	21-2034-0-1-051	1991 actual	1992 est.	1993 est.
Direct obligations:				
Other services:				
125 004	Other	550,770	282,956	244,149
126 001	Supplies and materials	1,658,367	1,086,264	588,248
131 001	Equipment	7,962	9,609	8,291
199 001	Total Direct obligations	2,217,099	1,378,829	840,688
Reimbursable obligations:				
Other services:				
225 004	Other	3,479	7,425	7,425
226 001	Supplies and materials	10,476	3,039	323
231 001	Equipment	50	252	252
299 001	Total Reimbursable obligations	14,005	10,716	8,000
999 901	Total obligations	2,231,104	1,389,545	848,688

Procurement of Ammunition, Army
Program and Financing (in Thousands of dollars) FISCAL YEAR 1989

Identification code	21-2034-0-1-051	Budget Plan (amounts for PROCUREMENT actions programmed)			Obligations		
		1991 actual	1992 est	1993 est.	1991 actual	1992 est.	1993 est.
Program by activities:							
Direct program:							
00 0101	Ammunition				64,314		
00 0201	Ammunition production base support				4,450		
00 9301	Total direct program				68,764		
01 0101	Reimbursable program				58		
10 0001	Total				68,822		
Financing:							
Offsetting collections from:							
11 0001	Federal funds(-)				1,623		
13 0001	Trust funds(-)				-1		
17 0001	Recovery of prior year obligations				-39,842		
Unobligated balance available, start of year:							
21 4002	For completion of prior year budget plans				-39,120		
21 4003	Available to finance new budget plans		-72,000		-72,000		
21 4009	Reprogramming from/to prior year budget plan		-8,518				
25 0001	Unobligated balance expiring		8,518		8,518		
40 3601	Budget authority (Appropriation rescinded) (-		-72,000		-72,000		

Procurement of Ammunition, Army
Program and Financing (in Thousands of dollars) FISCAL YEAR 1990

Identification code	21-2034-0-1-051	Budget Plan (amounts for PROCUREMENT actions programmed)			Obligations		
		1991 actual	1992 est	1993 est	1991 actual	1992 est	1993 est
Program by activities:							
Direct program:							
00 0101	Ammunition				132,381	45,042	
00 0201	Ammunition production base support				71,596	14,724	
00 9101	Total direct program				203,977	59,766	
01 0101	Reimbursable program				1,440	1,586	
10 0001	Total				205,417	61,352	
Financing:							
Offsetting collections from:							
11 0001	Federal funds(-)				63		
13 0001	Trust funds(-)				385		
17 0001	Recovery of prior year obligations				-39,261		
Unobligated balance available, start of year:							
21 4002	For completion of prior year budget plans				-175,405	-61,352	
21 4003	Available to finance new budget plans	-30,000			-30,000		
21 4003	Reprogramming from/to prior year budget plan	52,551					
22 0001	Unobligated balance transferred from other ac	-40,551			-40,551		
Unobligated balance available, end of year:							
24 4002	For completion of prior year budget plans				61,352		
40 3601	Budget authority (Appropriation rescinded) (-18,000			-18,000		

Procurement of Ammunition, Army
Program and Financing (in Thousands of dollars) FISCAL YEAR 1991

Identification code	21-2034-0-1-051	Budget Plan (amounts for PROCUREMENT actions programmed)			Obligations		
		1991 actual	1992 est.	1993 est.	1991 actual	1992 est.	1993 est.
Program by activities:							
Direct program:							
00 0101	Ammunition	1,801,047			1,737,749	28,646	34,652
00 0201	Ammunition production base support	245,734			206,609	31,455	7,670
00 0301	Total direct program	2,046,781			1,944,358	60,101	42,322
01 0101	Reimbursable program	14,237			12,507	1,730	
10 0001	Total	2,061,018			1,956,865	61,831	42,322
Financing:							
Offsetting collections from:							
11 0001	Federal funds(-)	-13,463			-13,463		
14 0001	Non Federal sources(-)	-774			-774		
21 4001	Unobligated balance available, start of year:						
21 4002	For completion of prior year budget plans					-104,153	-42,322
21 4003	Available to finance new budget plans		-23,700			-23,700	
24 4001	Unobligated balance available, end of year:						
24 4002	For completion of prior year budget plans	23,700			104,153	42,322	
24 4003	Available to finance subsequent year budget				23,700		
39 0001	Budget authority	2,070,481	-23,700		2,070,481	-23,700	
Budget authority:							
40 0001	Appropriation	1,367,181			1,367,181		
40 3001	Appropriation rescinded (unob bal)		-23,700			-23,700	
42 0001	Transferred from other accounts	703,300			703,300		
43 0001	Appropriation (adjusted)	2,070,481	-23,700		2,070,481	-23,700	

Procurement of Ammunition, Army
Program and Financing (in Thousands of Dollars) FISCAL YEAR 1992

Identification code	21-2034-0-1-051	Budget Plan (amounts for PROCU:EMENT actions programed)			Obligations		
		1991 actual	1992 est	1993 est.	1991 actual	1992 est.	1993 est.
Program by activities:							
Direct program:							
00 0101	Ammunition		1,164,257			1,065,767	34,998
00 0201	Ammunition production base support		204,823			193,195	6,296
00 9101	Total direct program		1,369,080			1,258,962	41,294
01 0101	Reimbursable program		7,400			7,400	
10 0001	Total		1,376,480			1,266,362	41,294
Financing:							
Offsetting collections from:							
11 0001	Federal funds(-)		3,852			3,852	
13 0001	Trust funds(-)		-9,700			-9,700	
14 0001	Non-Federal sources(-)		-1,552			-1,552	
21 4002	Unobligated balance available, start of year:						-110,118
	For completion of prior year budget plans						
24 4002	Unobligated balance available, end of year:					110,118	68,824
	For completion of prior year budget plans						
40 0001	Budget authority (Appropriation)		1,369,080			1,369,080	

Procurement of Ammunition, Army
Program and Financing (in Thousands of dollars) FISCAL YEAR 1993

Identification code	21-2034-0-1-051	Budget Plan (amounts for PROCUREMENT actions programmed)			Obligations		
		1991 actual	1992 est.	1993 est.	1991 actual	1992 est.	1993 est.
Program by activities:							
Direct program:							
00 0101	Ammunition			629,800			574,112
00 0201	Ammunition production base support			193,800			182,960
00 9101	Total direct program			823,600			757,072
01 0101	Reimbursable program			8,000			8,000
10 0001	Total			831,600			765,072
Financing							
Offsetting collections from							
11 0001	Federal funds(-)			3,252			3,252
13 0001	Trust funds(-)			-9,700			-9,700
14 0001	Non-federal sources(-)			-1,552			-1,552
24 4002	Unobligated balance available, end of year, for completion of prior year budget plans						66,528
40 0001	Budget authority (Appropriation)			823,600			823,600

Procurement of Ammunition, Army
(Rescission Proposal)
Program and Financing (in thousands of dollars) SUMMARY

Identification code	21-2034-5-1-051	Budget Plan (amounts for PROCUREMENT actions programmed)			Obligations		
		1991 actual	1992 est.	1993 est.	1991 actual	1992 est.	1993 est.
Program by activities:							
Direct program:							
00 0001	Ammunition production base support		-1,000			-920	-30
10 0001	Total		-1,000			-920	-30
Financing:							
Unobligated balance available, start of year:							
21 4002	For completion of prior year budget plans						80
Unobligated balance available, end of year:							
24 4002	For completion of prior year budget plans					-80	-50
40 3001	Budget authority (Appropriation rescission p		-1,000			-1,000	
Relation of obligations to outlays:							
71 0001	Obligations incurred					-920	-30
72 4001	Obligated balance, start of year					513	-513
74 4001	Obligated balance, end of year						486
90 0001	Outlays (net)					-407	-57

Procurement of Ammunition, Army
 (Rescission Proposal)
 Object Classification (in Thousands of dollars) SUMMARY

Identification code	21-2034-5-1-051	1991 actual	1992 est.	1993 est.
Direct obligations:				
126 001 Supplies and materials			-920	-30
199 001 Total Direct obligations			-920	-30
999 001 Total obligations			-920	-30

Procurement of Ammunition, Army
(Rescission Proposal)
Program and Financing (in Thousands of dollars) FISCAL YEAR 1992

Identification code	21-2034-5-1-051	Budget Plan (amounts for actions programmed)			Obligations		
		1991 actual	1992 est.	1993 est.	1991 actual	1992 est.	1993 est.
Program by activities:							
Direct program:							
00 0201	Ammunition production base support		-1,000			-920	-30
10 0001	Total		-1,000			-920	-30
Financing:							
Unobligated balance available, start of year:							
21 4002	For completion of prior year budget plans						80
Unobligated balance available, end of year:							
24 4002	For completion of prior year budget plans					-80	-50
40 3001	Budget authority (Appropriation rescission p		-1,000			-1,000	

PROCUREMENT OF AMMUNITION, ARMY

Section 2:

Budget Activity Justification

Activity 1 - Ammunition

Activity 2 - Ammunition Production Base Support

Part 2 - JUSTIFICATION OF FUNDS REQUESTED

The FY 1993 program provides for worldwide training consumption and replaces losses to inventory through FY 1993 funded delivery periods, maintains U.S. Army readiness, buys selected items for war reserves through the FY 1997 authorized acquisition objective, and maintains the active ammunition production base at a reduced level from prior years. The following table depicts the ammunition program by major categories.

Ammunition Categorization (\$ Millions)				
	Actual FY 1991	Estimate FY 1992	Initial Estimate FY 1993	Change FY 1993
Special	6.4	7.2	8.6	-8.6
Small/Medium Caliber	375.4	149.0	132.4	-46.7
Mortars	87.1	73.4	27.4	-11.0
Tank	698.7	418.6	368.2	-176.5
Artillery	263.9	364.2	320.2	-60.3
Artillery Fuzes	61.4	22.0	0.0	0.0
Mines	93.4	8.2	3.0	0.0
Rockets	87.8	41.1	44.0	-34.0
Other	71.9	26.5	37.4	-14.4
Miscellaneous	68.3	53.9	58.0	-17.9
Production Base	<u>232.7</u>	<u>203.8</u>	<u>196.2</u>	<u>-2.4</u>
Total	2046.8	1368.1	1195.4	-371.8
				<u>823.6</u>

The FY 1993 program includes one major new start; 155mm SADARM Artillery Projectile.

ITEM BREAKOUT, FY 1992/FY 1993
(\$ Millions)

<u>TYPE</u>	<u>FY 1992</u>	<u>FY 1993</u>	<u>REMARKS</u>
<u>SPECIAL AMMUNITION (FY 1992 - \$7.2 Million; FY 1993 - \$0.0 Million)</u>			
Nuclear Weapons Support Material	7.2	0.0	This program provides support materiel/ components for fielded nuclear ammunition currently out of production.
<u>SMALL/MEDIUM CALIBER AMMUNITION (FY 1992 - \$149.0 Million; FY 1993 - \$85.7 Million)</u>			
Cartridge, 5.56mm, All Types	70.1	25.2	The FY 1993 request includes funding for M193 Ball and the M200 Blank for use with the M16/M16A1 series of rifles; and the M855 Ball Linked for use with the M16A2.
Cartridge, 7.62mm, All Types	10.7	10.5	The FY 1993 request includes funding for the 7.62mm M82 Blank Linked, 4 Ball M80/1 Tracer M62 Linked for Mini Guns, 4 Ball/1 Tracer (OHF) and the M118 Special Ball. 7.62mm ammunition is used in Machine Gun Series M60, M73, M219 and M240. Procurement supports annual peacetime training.
Cartridge, 9mm, All Types	.5	2.4	The FY 1993 request includes funding for the 9mm Trainer for the AT-4 and the 9mm Ball cartridge for use in the 9mm handgun. Procurement supports annual peacetime training and builds war reserves.

ITEM BREAKOUT, FY 1992/FY 1993
(\$ Millions)

<u>TYPE</u>	<u>FY 1992</u>	<u>FY 1993</u>	<u>REMARKS</u>
<u>SMALL/MEDIUM CALIBER AMMUNITION (CONT.)</u>			
Cartridge, .45 Caliber, All Types	.1	2.0	The FY 1993 request includes funding for the M1911 Ball and M1911 Match Grade. Ammunition is used in the .45 caliber handgun for competitive pistol matches, training and testing.
Cartridge, .50 Caliber, All Types	13.0	11.4	The FY 1993 request includes funding for the M33 Ball, M928 Blank and High Pressure Test rounds. Procurement supports annual peacetime training. Cartridges are used in the .50 caliber machine gun, M2/M3.
Cartridge, 20mm,	15.6	0.0	This program funds cartridges for use in the COBRA gun and the VULCAN Air Defense System. Procurement supports annual peacetime training.
Cartridge, 25mm, All Types	33.8	4.7	The FY 1993 request funds the M793 Target Practice cartridge in support of annual peacetime training for the 25mm M242 Automatic gun which is mounted on the M2/M3 Bradley Fighting Vehicle System.
Cartridge, 40mm, All Types	5.3	29.5	The FY 1993 request includes funding for smoke and training rounds used with the MK19 machine gun and M79 and M203 grenade launchers attached to the M15/M16A1 rifles. Procurement supports annual peacetime training and builds war reserves.

ITEM BREAKOUT, FY 1992/FY 1993
(\$ Millions)

<u>TYPE</u>	<u>FY 1992</u>	<u>FY 1993</u>	<u>REMARKS</u>
<u>MORTAR AMMUNITION (FY 1992 - \$73.4 Million; FY 1993 - \$16.4 Million)</u>			
120mm Mortar Cartridges	73.4	16.4	The FY 1993 request includes funding for the XM933/XM934 High-Explosive cartridges for use in the 120mm Mortar System. Procurement is part of the total package fielding of the 120mm mortar system.
<u>TANK AMMUNITION (FY 1992 - \$418.6 Million; FY 1993 - \$191.7 Million)</u>			
105mm Tank Ammunition	102.6	0.0	This program funds the M724A1 Discarding Sabot-Target Practice (DS-TP), the M490A1 Target Practice with Tracer (TP-T), and the M900A1 Armor Piercing Fin Stabilized Discarding Sabot-Tracer (APFSDS-T) cartridges. Procurements build war reserves of modern tank ammunition and enhance the Army's ability to conduct realistic tank gunnery training in support of readiness objectives.
120mm Tank Ammunition	316.0	190.4	The FY 1993 request includes funding for the M831 Target Practice-Tracer (TP-T) and M865 Target Practice Cone-Stabilized Discarding Sabot-Tracer (TPCSDS-T) rounds for live-fire training in the M1A1 Abrams tank. Also, funds Anti-Armor tank rounds (Classified program) required to support the fielding of M1 Abrams tanks with ammunition capable of defeating the armor threat.

ITEM BREAKOUT, FY 1992/FY 1993
(\$ Millions)

<u>TYPE</u>	<u>FY 1992</u>	<u>FY 1993</u>	<u>REMARKS</u>
<u>TANK AMMUNITION (CONT.)</u>			
35mm Subcal for Tank	0.0	1.3	The FY 1993 request supports tank training requirements with the Tank Precision Gunnery Inbore Device and increased tank crew efficiency with substantial cost savings. This round is suitable for training in areas where range safety and environmental concerns limit training with 120mm training rounds.
<u>ARTILLERY AMMUNITION (FY 1992 - \$364.2 Million, FY 1993 - \$259.9 Million)</u>			
105mm High Explosive Rocket Assisted (HERA) Cartridge, M913	15.1	14.8	The FY 1993 request supports the acquisition of a more lethal, extended range artillery round used with the howitzer deployed with Light Infantry Divisions.
155mm Baseburner, M864	150.9	172.1	The FY 1993 request supports funding to meet war reserve sustainability objectives. This Improved Conventional Munition (ICM) projectile is a dual purpose (DP) anti-armor/anti-personnel round. It provides field artillery units extended range necessary to engage and neutralize deep targets and to achieve the higher survivability associated with increased standoff range.

ITEM BREAKOUT, FY 1992/FY 1993
(\$ Millions)

<u>TYPE</u>	<u>FY 1992</u>	<u>FY 1993</u>	<u>REMARKS</u>
<u>ARTILLERY AMMUNITION (CONT.)</u>			
155mm SADARM	0.0	35.5	The FY 1993 request supports low rate initial production for the Sense and Destroy Armor (SADARM) projectile which will provide an enhanced counterbattery and anti-armored vehicle capability to attack targets well beyond the Forward Line of Troops. SADARM will provide pinpoint accuracy to destroy hardened targets and will reduce consumption of artillery ammunition. SADARM will support the Howitzer M109 series and M198 Howitzer systems.
Propelling Charges	162.8	37.5	The FY 1993 request for the M203 Red Bag Propelling Charge is required for use with the 155mm Baseburner projectile.
<u>FUZES (FY 1992 - \$22.0; FY 1993 - \$0.0 Million)</u>			
Fuze, Artillery, M762	22.0	0.0	This program is required to balance the quantity of fuzes with other artillery components.
<u>MINES (FY 1992 - \$8.2; FY 1993 - \$3.0 Million)</u>			
Mine, Training, All Types	8.2	3.0	The FY 1993 request is for the VOLCANO, Practice XM89.

ITEM BREAKOUT, FY 1992/FY 1993
(\$ Millions)

<u>TYPE</u>	<u>FY 1992</u>	<u>FY 1993</u>	<u>REMARKS</u>
<u>ROCKETS (FY 1992 - \$41.1 Million; FY 1993 - \$10.0 Million)</u>			
HYDRA 70 Rockets, All Types	39.0	10.0	The FY 1993 request is for the M276 MPSM (Multi-Purpose Submunition) Practice Rocket which supports all qualification and training for COBRA and APACHE aviators.
Rocket LAW, All Types	2.1	0.0	This program provides the 35mm Practice Training Rocket for the 66mm LAW (Light Anti-Armor Weapon Rocket). Training with this rocket is cheaper than training with the higher cost war reserve rounds. Procurement supports annual peacetime training requirements.
<u>OTHER AMMUNITION (FY 1992 - \$26.5 Million; FY 1993 - \$23.0 Million)</u>			
Primer, Percussion	6.6	6.7	The FY 1993 request includes funding to balance the quantity of artillery components (projectiles, propelling charges, fuze and primer) necessary to make a complete round.
Grenades, All Types	3.9	7.8	The FY 1993 request includes funding for the M228 Fuze which is a pyrotechnic delay fuze used with the M69 delay practice hand grenade; and the XM82 Smoke Grenade to support annual peacetime training.

ITEM BREAKOUT, FY 1992/FY 1993
(\$ Millions)

<u>TYPE</u>	<u>FY 1992</u>	<u>FY 1993</u>	<u>REMARKS</u>
<u>OTHER AMMUNITION (CONT.)</u>			
Signals, All Types	4.6	.6	The FY 1993 request is for the Signal, M127 White Star Illuminating. Procurement supports annual peacetime training.
Simulators, All Types	4.7	6.1	The FY 1993 request supports training requirements for various simulators. These devices lend battlefield realism to training exercises without the associated cost, safety, and environmental impacts of live-fire training.
Demolition Munitions	6.6	2.0	The FY 1993 request procures numerous munitions to support training and range clearance requirements. This line includes demolition charges, detonating cords, cutters, blasting caps, igniters, and blasting time fuzes.
<u>MISCELLANEOUS (FY 1992 - \$53.9 Million; FY 1993 - \$40.1 Million)</u>			
Ammo Components	24.4	18.2	The FY 1993 request is required for major and minor maintenance and renovation of field stocks; supports special test requirements for all ongoing ammunition procurements; and procures weapons and weapons components required for testing at various Army Proving Grounds.

ITEM BREAKOUT, FY 1992/FY 1993
(\$ Millions)

<u>TYPE</u>	<u>FY 1992</u>	<u>FY 1993</u>	<u>REMARKS</u>
<u>MISCELLANEOUS (CONT.)</u>			
CAD/PAD, All Types	9.2	11.4	The FY 1993 procurement is required to assure availability of replacement items when needed and avoids grounding aircraft or rendering aircraft partially mission capable.
Items Less Than \$2 Million	1.2	1.2	The FY 1993 funding procures miscellaneous items less than \$2 million.
EOD Explosive Items	2.3	2.7	The FY 1993 procurement supports training requirements for EOD personnel, enhances the capability of remote low-order cutting and detonation of explosive ordnance rendering safe procedures.
Ammunition Peculiar	6.8	6.4	The FY 1993 request procures unique, low density equipment items specifically designed, fabricated, tested, procured, and adopted for use in ammunition depot operations with conventional and chemical ammunition.
First Destination Transportation	0.0	.1	The FY 1993 request is required for transportation of Army ammunition from manufacturing plants to a depot or port for transportation to a second destination.
Nitroguanidine	10.0	0.0	Funding is for inactivation of Sunflower Army Ammunition Plant.

FY 1992/FY 1993 WAR RESERVE AMMUNITION, TRAINING AMMUNITION AND NON-HARDWARE PROGRAMS
(\$ THOUSANDS)

	<u>FY 1992</u>	<u>FY 1993</u>
WAR RESERVE AMMUNITION	696,653	367,368
TRAINING AMMUNITION	425,649	234,706
NON-HARDWARE	<u>41,955</u>	<u>27,726</u>
TOTAL	1,164,257	629,800

TRAINING AMMUNITION

TRAINING UNIQUE ITEMS:

CTG, 12GAGE, #9 SHOT	33	28
GRENADE, SMOKE, TNG, XM82	0	3577
CTG, 5.56MM, BLANK M200	16728	5292
CTG, 5.56MM, BLK M200, LKD F/SAW	10170	0
CTG, CAL .22, BALL LR MATCH F/RIFLE	249	253
CTG, CAL .22, LR MG PISTOLCOMM	21	0
CTG, 7.62MM, BLANK M82 LKD/M13	9731	4498
CTG, 7.62MM, LKD 4 BALL ITRACER OHF	0	776
CTG, 7.62MM, SPEC BALL M118	677	1674
CTG, 7.62MM, SPEC MATCH M852	274	0
CTG, 5.56MM, BALL M855 LINKED	2715	411
CTG, CAL .38 SPEC, BALL WADCUTTER	0	68
CTG, .45 CAL, BALL WADCUTTER	56	0
CTG, .45 CAL, MATCH GRADE	0	229
CTG, .50 CAL, BALL, M33	5500	5078
CTG, .50 CAL, 4 BALL/1 TR W/M9 LK	7500	0
CTG, .50 CAL, BLANK, M928	0	3920
CTG, 25MM, LKD TP-T, M793	14942	4663
CTG, 25MM, TPDS-T, M910	18810	0
CTG, 20MM, LKD TP, M55	2406	0
CTG, 20MM, LKD TP-T, M220	8205	0
CTG, ARTY, 75MM, BLANK, M337A1	0	0

FY 1993SUB-TOTAL: TRAINING UNIQUE ITEMS

TRAINING AMMUNITION

FY 1992

FY 1993

TRAINING STANDARD ITEMS

CTG, 5.56MM, BALL M193	34320	19464
CTG, 7.62MM, BALL, TRACER, MINI GUN	0	3588
CTG, CAL .38, SPEC M41 CTN PAK F/PST	181	159
CTG, 9MM, BALL	46	2169
CTG, .45 CAL, BALL, M1911	29	1141
CTG, 40MM, RED SMOKE MARKER	38	34
CTG, 40MM, GREEN SMK M715 F/LCHR M79/M20	153	134
CTG, 40MM, YELLOW SMK M716 F/LCHR M79/M20	115	103
CTG, 40MM, WHITE STAR PARA M583 F/LCH M79	0	1046
CTG, 40MM, WHITE STAR CLUSTER M585	0	56
CTG, 40MM, RED STAR PARA M662	82	58
CTG, 40MM, GREEN STAR PARA M661	188	156
CTG, MORTAR, 120MM, HE/MO, XM934	0	686
CTG, MORTAR, 120MM, HE/PD, XM933	11313	3020
PROJ, ARTY, 155MM, HE M107	20387	0
PROP CHG, 8 INCH, GREEN BAG, M1	6951	0
GRENAD, HAND SMOKE WHITE HC AN-M8	0	844
SIG ILLUM GND M127 SER WHITE STAR PARAC	3424	558
CHG DEMO BLK COMP C-4 1 1/4 LB M112	934	0
CAP, BLASTING, M6 SPC ELEC	0	1072
FUZE, BLASTING TIME M700	12	0
IGNITER, FUSE BLASTING TIME M60	279	0
CUTTER CTG ACTUATED M2 SER M21 2 SEC DELAY	1191	0
FUZE, ARTILLERY, ELEC TIME, M767	0	0
FUZE, ARTILLERY, PD, M739	0	0
PRIMER, PERCUSSION, M82	5712	6652
	<u>85355</u>	<u>40940</u>
SUB-TOTAL: TRAINING STANDARD ITEMS	425649	234706

TOTAL: TRAINING AMMUNITION

Department of the Army President's Budget JUSTIFICATION	Appropriation PROCUREMENT OF AMMUNITION, ARMY	Amended FY 1993 Budget
Budget Program	(\$ Thousands)	
Activity 2 - Production Base Support	Actual FY 1991 Estimate FY 1992 Initial Estimate FY 1993 Change FY 1993 Amended Estimate FY 1993	
Direct Budget Plan	\$232,734 \$203,823 \$196,200 -\$2,400	\$193,800

Part 1 - PURPOSE AND SCOPE

The FY 1993 President's Budget contains an ammunition production base support program that provides for the support of plants in active production and inactive plants required for mobilization; correction of environmental and safety deficiencies; proving ground modernization; layaway of industrial facilities and equipment, which is the procedure associated with placing a previously active production facility or line into inactive status; and components for prove-out, which are required to demonstrate that a production facility or line is capable of manufacturing an ammunition item; maintenance of inactive industrial facilities after they are laid away; and demilitarization of conventional ammunition.

Part 2 - JUSTIFICATION OF FUNDS REQUESTED

Production Base Support Categorization
(\$ Millions)

	<u>Actual FY 1991</u>	<u>Estimate FY 1992</u>	<u>Initial Estimate FY 1993</u>	<u>Change FY 1993</u>	<u>Amended Estimate FY 1993</u>
Provision of Industrial Facilities	118.5	74.9	69.3	-9.8	59.5
Proving Ground Modernization	4.0	1.5	1.5	0.0	1.5
Layaway of Industrial Facilities	22.2	29.0	31.7	0.0	31.7
Components for Prove-out	8.1	1.8	2.3	0.0	2.3
Maintenance of Inactive Facilities	69.9	67.6	72.4	2.8	75.2
Conventional Ammo Demilitarization	<u>10.0</u>	<u>29.0</u>	<u>19.0</u>	<u>4.6</u>	<u>23.6</u>
Production Base Support Total	232.7	203.8	196.2	-2.4	193.8

ITEM BREAKOUT, FY 1992/1993
(\$ Millions)

	FY 1992	FY 1993
	74.9	59.5

PROVISION OF INDUSTRIAL FACILITIES

Funds requested for Provision of Industrial Facilities provide for correction of environmental and safety deficiencies. Also included is funding for production support and equipment replacement at active plants. The majority of funds requested are for safety and environmental efforts.

The FY 1993 request of \$ 59.5 Million contains the following projects:

At Radford AAP, Radford, Virginia, \$6.1 million is requested for automated Dinitrotoluene (DNT) handling equipment. This equipment will be used for removing DNT from shipping containers and placing it into equipment for screening and measured distribution for use in the single base propellant mix house.

At Radford AAP, Radford, Virginia, \$5.9 million is requested to construct a replacement anhydrous ammonia storage facility. A leak or failure of the existing, deteriorated, 40 year old ammonia tank would expose approximately 300 people to life threatening ammonia fumes.

As part of a continuing effort to meet environmental laws and regulations, \$5.0 million is requested to restore land and equipment that have been damaged, contaminated, or disturbed by activities at the ammunition plants and to modify/expand production operations and processes to meet the requirements of various environmental laws and regulations.

Replacement of thirty existing deteriorated above ground primer dry and storage facilities at Lake City Army Ammunition Plant, Independence, Missouri, with thirteen new earth covered reinforced concrete modular buildings and one above ground mechanical building at a cost of \$7.6 million is requested. These new buildings will eliminate operating under existing safety and security waivers and the high costs of maintaining present structures.

At Radford AAP, Radford, Virginia, \$5.4 million is requested to replace the existing NO-X Abatement Systems located in B-Line Nitrocellulose area. The State of Virginia has issued a notice of violation due to chronic problems with the existing system.

ITEM BREAKOUT, FY 1992/1993
(\$ Millions)

FY 1992 FY 1993

PROVISION OF INDUSTRIAL FACILITIES (CONT.)

At Milan AAP, Milan, Tennessee \$5.9 million is requested to provide a new plant operations support building that will replace three existing World War II temporary structures. The new building will improve safety, eliminate costly repairs and save energy.

To correct safety deficiencies at Iowa AAP, Middletown, Iowa and Louisiana AAP, Shreveport, Louisiana, \$ 1.1 million is requested. Casing and venting of 34 gas lines which cross under roads and railroads is required to meet Louisiana Pipeline Standards. Modification of the Explosive Waste Preparation Facility to eliminate double handling of waste explosive at Iowa AAP will improve safety.

Engineering design funds in the amount of \$12.1 million are required for initiation and/or construction criteria, equipment, and concept; final design, process design, and other design related work necessary to assure efficient and timely execution of facility projects.

Also included in the FY 1993 request is \$10.4 million for the necessary production support and equipment replacement for plants in active production.

LAYAWAY OF INDUSTRIAL FACILITIES

29.0 31.7

The \$31.7 million in FY 1993 is for the protection and preservation of equipment and facilities no longer required for active production, but which must be retained for future peacetime or mobilization production needs.

Significant Layaway Efforts budgeted in FY 1993:

Continuation of layaway of lines at Indiana AAP, Longhorn AAP, Louisiana AAP and Kansas AAP as production ends; and selected double and triple base propellant production buildings at Radford AAP as a result of reduced workload.

ITEM BREAKOUT, FY 1992/1993
(\$ Millions)

	FY 1992	FY 1993
COMPONENTS FOR PROVE-OUT	1.8	2.3

This line provides for the prove-out and acceptance of prior year modernization, expansion and initial production facilities. Funds are used to assure that the facility is capable of producing an acceptable end product, manufacturer warranties are met, and the facility is capable of producing at the designed rate.

The FY 1993 prove-out program includes Pyrotechnic Safety Enhancements at Lone Star Army Ammunition Plant (AAP), Texarkana, Texas, Laundry Wastewater Treatment facility at Milan AAP, Milan Tennessee and Automated Inspection Equipment at Lake City AAP, Independence, Missouri.

PROVING GROUND MODERNIZATION

	1.5	1.5
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This program will modernize and upgrade existing test instrumentation to conduct production acceptance testing of Army ammunition components. This effort will replace obsolete, unreliable, or economically unrepairable test equipment and instrumentation currently in use. This will result in more accurate reliable data and faster turn around of the production items being tested. This will also allow for earlier release of product, avoiding the requirement for additional storage facilities, and reduce waste and scrap resulting from stopping faulty production. Jefferson Proving Ground is on the proposed base closure list for Department of Defense installations. The mission performed at Jefferson Proving Ground will be transferred to Yuma Proving Ground and the equipment will be moved.

ITEM BREAKOUT, FY 1992/1993
(\$ Millions)

FY 1992	FY 1993
67.6	75.2

MAINTENANCE OF INACTIVE INDUSTRIAL FACILITIES

The funds provide for the maintenance of laidaway portions of active plants including utilities, buildings, nonserviceable plant equipment, administration, surveillance, inspection, protection, and maintenance and repair of buildings, grounds, railroads, and integral equipment. The program also supports retention, maintenance and protection of the government-owned, inactive plants and inactive lines of active plants which are needed to assure emergency production capacity for mission essential material. The program also supports maintenance, protection, repair, and rebuild of government-owned plant equipment packages including industrial plant equipment, other plant equipment, special tooling and special test equipment. These plant equipment packages are maintained in anticipation of future production and mobilization requirements of ammunition. Facilities maintained include ten inactive GOCO plants, inactive lines at 16 active plants (three GOGO and 13 GOCO), and inactive lines at 26 contractor plants.

CONVENTIONAL AMMUNITION DEMILITARIZATION

29.0	23.6
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The conventional ammunition demilitarization program funds the demilitarization and disposal of hazardous, unsafe munitions for all four Services. It also funds the elimination of obsolete or uneconomically repairable ammunition for all four Services. As of March 1990, over 196,000 short tons of munitions was in the demilitarization stockpile awaiting demil. The demil account has experienced a growth of over 40,000 short tons since 1986. This growth has a negative impact on explosive safety and storage space availability. As large scale retrograde programs of ammunition from various theaters and retail locations occur, the growing storage requirements for munitions awaiting demilitarization could result in new military construction requirements or outside temporary storage of munitions. The demilitarization program will eliminate unsafe, hazardous munitions and free up vitally needed space. This will also allow for easier accommodation of large retrogrades, including some expected eliminations of rocket motors, despite storage space loss directed by Base Realignment and Closure.

PROCUREMENT OF AMMUNITION, ARMY

Section 3

Comparison of Programming Requirements and Financing

Comparison of FY 1992 program requirements as reflected in the FY 1992/FY 1993 Biennial Budget with FY 1992 program requirements as shown in the Amended FY 1992/FY 1993 Biennial Budget.

Comparison of FY 1992 financing as reflected in the FY 1992/FY 1993 Biennial Budget with FY 1992 financing as shown in the Amended FY 1992/FY 1993 Biennial Budget.

Comparison of FY 1991 program requirements as reflected in the FY 1992/FY 1993 Biennial Budget with FY 1991 program requirements as shown in the Amended FY 1992/FY 1993 Biennial Budget.

Comparison of FY 1991 financing as reflected in the FY 1992/FY 1993 Biennial Budget with FY 1991 financing as shown in the Amended FY 1992/FY 1993 Biennial Budget.

COMPARISON OF FY 1992 PROGRAM REQUIREMENTS
AS REFLECTED IN THE FY 1992/FY 1993 BIENNIAL BUDGET
WITH THE FY 1992 PROGRAM REQUIREMENTS AS
SHOWN IN THE AMENDED FY 1992/FY 1993 BIENNIAL BUDGET
SUMMARY OF REQUIREMENTS (In Thousands of Dollars)

Appropriation Procurement of Ammunition, Army	FY 1992		FY 1992 Requirements Per Amended FY 92/93 Biennial Budget	Increase (+) or Decrease (+)
	Requirements Per FY 92/93 Biennial Budget	Requirements Per FY 92/93 Biennial Budget		
Activity 1 - Ammunition	1,048,477	1,164,257		115,780
Activity 2 - Ammunition Production Support	201,323	204,823		3,500
TOTAL	1,249,800	1,369,080		119,280

EXPLANATION BY ACTIVITY

Activity 1 - Ammunition - The net increase resulted from Congressional adjustments to 5.56MM Ctg (\$+5,500), 7.62MM Ctg (\$+300), .50 Cal Ctg (\$+8,500), 20MM Ctg (\$+5,000), 25MM Ctg (\$-6,900), 120MM Mortar XM934 (\$+37,000), 105MM Ctg Tank M490A1 (\$-8,100), 105MM Ctg Tank M724A1 (\$-12,600), Classified Project (\$-18,000), 155MM Proj Arty M107 (\$+35,500), 155MM Proj Arty Baseburner (\$+30,000), Elec Time Fuze M762 (\$+22,000), Hydra 70 Rockets (\$+39,000), First Destination Transportation (\$-6,341), and Nitroguanidine (\$-15,079).

Activity 2 - Ammunition Production Support - The net increase resulted from Congressional adjustments to Provision of Industrial Facilities (\$+1,000), Maintenance of Inactive Facilities (\$-2,500), and Conventional Ammo Demilitarization (\$+5,000).

COMPARISON OF FY 1992 FINANCING
AS REFLECTED IN THE FY 1992/FY 1993 BIENNIAL BUDGET
WITH THE FY 1992 FINANCING AS
SHOWN IN THE AMENDED FY 1992/FY 1993 BIENNIAL BUDGET
(In Thousands of Dollars)

Appropriation	FY 1992		FY 1992		Increase (+) or Decrease (-)
	Procurement of Ammunition, Army	Financing Per FY 92/93 Biennial Budget	Financing Per Amended FY 92/93 Biennial Budget		
Program Requirements (Total)		1,289,800	1,376,480		86,680
Program Requirements (Service Account)		1,249,800	1,369,080		119,280
Program Requirements (Reimbursable)		40,000	7,400		(32,600)
Less:					
Anticipated Reimbursements		(40,000)	(7,400)		32,600
Unobligated Balance Available To Finance New Budget Plans			(23,700)		(23,700)

BUDGET AUTHORITY
Appropriation

	1,249,800	1,345,380	95,580
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EXPLANATION:

The reimbursable program (offsetting collections) decrease resulted from changes in estimated customer requirements.

The unobligated balance available to finance subsequent year budget plans decrease resulted from an FY 1991 rescission approved in FY 1992.

COMPARISON OF FY 1991 PROGRAM REQUIREMENTS
AS REFLECTED IN THE FY 1992/FY 1993 BIENNIAL BUDGET
WITH THE FY 1991 PROGRAM REQUIREMENTS AS
SHOWN IN THE AMENDED FY 1992/FY 1993 BIENNIAL BUDGET
SUMMARY OF REQUIREMENTS (In Thousands of Dollars)

Appropriation Procurement of Ammunition, Army	FY 1991		FY 1991 Requirements Per Amended FY 92/93 Biennial Budget	Requirements Per Amended FY 92/93 Biennial Budget	Increase (+) or Decrease (-)
	Requirements	Per Amended			
Activity 1 - Ammunition	1,115,753		1,801,047		685,294
Activity 2 - Ammunition Production Support	235,734		245,734		10,000
TOTAL	1,351,487		2,046,781		695,294

EXPLANATION BY ACTIVITY

Activity 1 - Ammunition - The net increase resulted from FY 1991 Operation Desert Shield/Desert Storm transfers (\$+693,300), PY 1991 rescission (\$-10,700), denied Omnibus reprogramming source (\$+15,694), and net below threshold reprogrammings (\$-13,000).

Activity 2 - Ammunition Production Support - The net increase resulted from FY 1991 Operation Desert Shield/Desert Storm transfer (\$+10,000), PY 1991 rescission (\$-13,000), and net below threshold reprogrammings (\$+13,000).

COMPARISON OF FY 1991 FINANCING
AS REFLECTED IN THE FY 1992/FY 1993 BIENNIAL BUDGET
WITH THE FY 1991 FINANCING AS
SHOWN IN THE AMENDED FY 1992/FY 1993 BIENNIAL BUDGET
(In Thousands of Dollars)

Appropriation Procurement of Ammunition, Army	FY 1991		FY 1991 Financing Per Amended FY 92/93 Biennial Budget	Increase (+) or Decrease (-)
	Financing Per FY 92/93 Biennial Budget	Financing Per FY 92/93 Biennial Budget		
Program Requirements (Total)	1,391,487	2,061,018		669,531
Program Requirements (Service Account)	1,351,487	2,046,781		695,294
Program Requirements (Reimbursable)	40,000	14,237		(25,763)
Less:				
Anticipated Reimbursements	(40,000)	(14,237)		25,763
Unobligated Balance Available To Finance New Budget Plans				
Unobligated Balance Transferred From Other Accounts	(102,000)	(102,000)	0	
Add:				
Unobligated Balance Transferred To Other Accounts				(40,551)
Unobligated Balance Available To Finance Subsequent Year Budget Plans	12,000	0		(12,000)
Reprogramming From/Prior Year Budget Plans		23,700		23,700
Unobligated Balance Lapsing		44,033		44,033
		8,518		8,518

BUDGET AUTHORITY

Appropriation

1,261,487

1,980,481

718,994

EXPLANATION:

The reimbursable program (offsetting collections) decrease resulted from customer requirement not materializing as anticipated.

The unobligated balance transferred from other accounts decrease resulted from the Omnibus reprogramming (\$-40,551).

EXPLANATION (CONT.):

The unobligated balance transferred to other accounts decrease resulted from denial of a Drug Interdiction reprogramming billpayer.

The unobligated balance available to finance subsequent year budget plans increase resulted from a PY 1991 rescission approved in FY 1992.

The reprogramming from/to prior year budget plans increase resulted from Drug Interdiction reprogramming source denial (\$+12,000), Omnibus reprogramming (\$+40,551), and lapsed unobligated balance (\$-8,518).

COMPARISON OF FY 1992 PROGRAM REQUIREMENTS
AS REFLECTED IN THE FY 1992/FY 1993 BIENNIAL BUDGET
WITH THE FY 1992 PROGRAM REQUIREMENTS AS
SHOWN IN THE AMENDED FY 1992/FY 1993 BIENNIAL BUDGET
SUMMARY OF REQUIREMENTS (In Thousands of Dollars)

Appropriation Procurement of Ammunition, Army Supplemental: Rescission Proposal	FY 1992		Increase (+) or Decrease (-)
	Requirements Per FY 92/93 Biennial Budget	Requirements Per Amended FY 92/93 Biennial Budget	
Activity 1 - Ammunition	0	(1,000)	(1,000)
TOTAL	0	(1,000)	(1,000)

EXPLANATION BY ACTIVITY

Activity 1 - Ammunition - The decrease resulted from a proposed FY 1992 rescission to Provision of Industrial Facilities.

COMPARISON OF FY 1992 FINANCING
AS REFLECTED IN THE FY 1992/FY 1993 BIENNIAL BUDGET
WITH THE FY 1992 FINANCING AS
SHOWN IN THE AMENDED FY 1992/FY 1993 BIENNIAL BUDGET
(In Thousands of Dollars)

Appropriation	FY 1992		FY 1992		Increase (+) or Decrease (-)
	Financing Per FY 92/93 Biennial Budget	Financing Per Amended FY 92/93 Biennial Budget	Financing Per FY 92/93 Biennial Budget	Financing Per Amended FY 92/93 Biennial Budget	
Procurement of Ammunition, Army					
Supplemental: Rescission Proposal					
Program Requirements (Total)	0	0	(1,000)	(1,000)	(1,000)
Program Requirements (Service Account)			(1,000)	(1,000)	(1,000)
Program Requirements (Reimbursable)	0	0	0	0	0
Less:					
Anticipated Reimbursements	0	0	0	0	0
<hr/>					
BUDGET AUTHORITY					
Appropriation	0	0	(1,000)	(1,000)	(1,000)

EXPLANATION:

The appropriation decrease resulted from a proposed FY 1992 rescission.